



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

MAR 17 2023

The Honorable John Carter
Chairman
Subcommittee on Military Construction,
Veterans Affairs, and Related Agencies
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The purpose of this letter is to request committee approval of the proposed reprogramming of funds for the projects and amounts shown below. Detailed justification for the projects are enclosed.

#	<u>Service/Agency/Installation</u>	<u>Project</u>	<u>Program</u>	<u>Request (\$)</u>
	<u>Air Force</u>			
1	Joint Region Marianas, Tinian, Commonwealth of the Northern Mariana Islands	APR – Cargo Pad With Taxiway Extension	2019	32,541,000
2	Ramstein Air Base, Germany	Construct Aircraft Squadron Operations/AMU Facility	2017	7,725,000
	<u>Army Reserve</u>			
3	Gainesville, Florida	ECS TEMF / Warehouse	2021	3,000,000

A similar letter is being sent to the Chair of the Senate Subcommittee on Military Construction, Veterans Affairs, and Related Agencies. Thank you for your continued support of Defense programs.

Michael McCord

Enclosures:
As stated

cc:
The Honorable Debbie Wasserman Schultz
Ranking Member



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MAR 17 2023

The Honorable Patty Murray
Chair
Subcommittee on Military Construction,
Veterans Affairs, and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Madam Chair:

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A similar letter is being sent to the Chairman of the House Subcommittee on Military Construction, Veterans Affairs, and Related Agencies. Thank you for your continued support of Defense programs.

Michael McCord

Enclosures:
As stated

cc:
The Honorable John Boozman
Ranking Member

Bid Expiration Date: April 17, 2023

Military Construction, Air Force

Reprogramming Request

Installation: Joint Region Marianas - Tinian

Project: APR - Cargo Pad with Taxiway Extension

Authorization: National Defense Authorization Act for Fiscal Year 2019,
Public Law 115-232

Estimated Cost (\$000):

Previously Appropriated	71,000
Previously Reprogrammed	0
Requested Reprogramming	32,541
Total Estimated Cost	103,541

Project Description: This project constructs an aircraft parking cargo pad, taxiway connections to the airfield runway, and shoulder pavements. The facilities support Tinian divert operations, training exercises, humanitarian assistance, disaster relief in the Asia-Pacific region, and other US Air Force mission requirements.

Justification: The increased cost is due to the impact of unfavorable economic factors at this very remote island including global supply chain disruption, material/labor shortages and price increases, and a surge in construction demand in the region (Saipan and Guam) that stifled competition on Tinian, which resulted in increased prices.

A 10 U.S.C. §2853 cost variation notification dated August 29, 2022, was submitted to the congressional committees.

Source of Funds: Savings from the following projects are cited as a source of funds for this cost increase.

(Dollars in Thousands)

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Muwaffaq Salti AB, Munitions Storage Area	2019	42,000	41,672 ^{1/}	26,537
Muwaffaq Salti AB, Air Traffic Control Tower	2019	24,000	16,897 ^{2/}	1,786
Al Udeid, Personnel Deployment Processing Facility	2019	40,000	0 ^{3/}	4,218
Total				32,541

^{1/} FY 2020 funding (\$42.0 million) was previously deferred to support section 2808 border barrier projects. FY 2019 funding (\$34.3 million) was restored in FY 2021 based on cost estimates at the time, establishing a new baseline for reprogramming. When ready to award (after FY 2023), project funding will be sourced from available resources.

^{2/} FY 2020 funding (\$24.0 million) was previously deferred to support section 2808 border barrier projects. FY 2019 funding (\$18.9 million) was restored in FY 2021 based on cost estimates at the time, establishing a new baseline for reprogramming. When ready to award (after FY 2023), project funding will be sourced from available resources.

^{3/} A 10 U.S.C. §2853 cancellation notification was submitted to the congressional committees on February 24, 2022.

Bid Expiration Date: N/A

Military Construction, Air Force

Reprogramming Request

Installation: Ramstein Air Base, Germany

Project: Construct Aircraft Squadron Operations/AMU Facility

Authorization: National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017, Public Law (P.L.) 114-328 and NDAA for FY 2022, P.L. 117-81

Estimated Cost (\$000):

Previously Appropriated	13,437 ^{1/}
Previously Reprogrammed	1,963 ^{2/}
Requested Reprogramming	7,725
Total Estimated Cost	23,125

^{1/} FY 2017 funding (\$13.4 million) was previously deferred to support section 2808 border barrier projects.

^{2/} Based on cost estimates at the time, FY 2019 funding (\$15.4 million) was restored in FY 2021 establishing a new baseline for reprogramming.

Project Description: This project constructs a consolidated Squadron Operations/Aircraft Maintenance Unit Facility including administration, scheduling, training, briefing and equipment storage areas for aircrew members and maintenance personnel in support of the tactical airlift mission within Europe, Africa, and the Middle East. The project also includes demolition of two existing buildings on the project site and all necessary site development and remediation.

Justification: The increased cost is due to the impacts of supply chain issues, lack of host nation labor availability, and an overburdened construction market directly related to the situation with Ukraine. Additional costs are associated with a new European regulation that classified perfluorinated compounds as dangerous substances in soil and groundwater, which resulted in a new requirement for remediation of these substances as identified in a recent installation survey.

A 10 U.S.C. §2853 cost variation notification dated November 25, 2022, was submitted to the congressional committees.

Source of Funds: Savings from the following project are cited as a source of funds for this cost increase.

(Dollars in Thousands)

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Muwaffaq Salti AB, Munitions Storage Area	2020	42,000	41,672 ^{1/}	7,725

^{1/} FY 2020 funding (\$42.0 million) was previously deferred to support section 2808 border barrier projects. FY 2019 funding (\$34.3 million) was restored in FY 2021 based on cost estimates at the time, establishing a new baseline for reprogramming. When ready to award (after FY 2023), project funding will be sourced from available resources.

Bid Expiration Date: May 3, 2023

Military Construction, Army Reserve

Reprogramming Request

Installation: Gainesville, Florida

Project: ECS TEMF / Warehouse

Authorization: William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Public Law 116-283

Estimated Cost (\$000):

Previously Appropriated	36,000
Previously Reprogrammed	1,793 ^{1/}
Requested Reprogramming	3,000
Total Estimated Cost	40,793

^{1/} The Previously Reprogrammed amount is the result of a below threshold reprogramming to fund the exercise of an option for a storage building.

Project Description: This project constructs an Equipment Concentration Site (ECS) consisting of a tactical equipment maintenance facility (TEMF), general purpose warehouse, and parking.

Justification: The cost increase is due to stormwater design deficiencies and differing site conditions related to the renovation of the existing warehouse building. The revisions to the stormwater design are necessary to obtain the proper permits; however, this has caused schedule delays and cost increases.

The cost increase is also due to the required demolition of insulating concrete fill on the roof of the general-purpose warehouse. The existing roof has deteriorated greatly since the development of the original specifications within the request for proposal, due to extensive water intrusion damage. The roof will now have all the existing concrete fill removed and replaced with new lightweight concrete meeting the Unified Facilities Criteria standards.

Source of Funds: Funds for this reprogramming will be obtained from the following:

(Dollars in Thousands)

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Unspecified Minor Military Construction, Army Reserve	2022	14,544	11,544	3,000